GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:884
ANSWERED ON:17.08.2007
DEDUCTION OF CHARGES ON PAYMENT BY CHEQUES
Mahato Shri Narahari

Will the Minister of FINANCE be pleased to state:

(a) whether tte Reserve Bank of India (RBI) has recommended deduction of charges from customers for their payments by cheques; and

(b) if so, the details thereof and the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b) : No, Sir. An Internal Study Group set up by Reserve Bank of India (RBI) on `Migration from Paper Based Funds Movement to Electronic Funds Transfer` had recommended levying a charge for paper based transactionsi, to be borne by the bank customers, in a bid to encourage them to move to safer and speedier electronic funds transfer. Ressrve Bank has not accepted the suggestion.